

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 6874**

**BILL NUMBER:** HB 1360

**SUBJECT:** Addiction Treatment and Services.

**NOTE PREPARED:** Jan 28, 2014

**BILL AMENDED:** Jan 28, 2014

**FIRST AUTHOR:** Rep. Brown C

**FIRST SPONSOR:**

**BILL STATUS:** 2<sup>nd</sup> Reading - 1<sup>st</sup> House

**FUNDS AFFECTED:** X GENERAL  
DEDICATED  
FEDERAL

**IMPACT:** State

**Summary of Legislation:** (Amended) *Mental Health and Addiction Services Development Programs Board-* The bill changes the name of the Mental Health Services Development Programs Board to the Mental Health and Addiction Services Development Programs Board (Board). The bill adds three members to the Board. The bill removes requirement for a unanimous vote by certain members to take action on the development program or training track program. The bill requires the Board to meet at least quarterly each year. (Currently the Board must meet at least twice a year.)

The bill requires the Board to take action concerning the integrated behavioral health and addiction treatment development program with dual diagnoses treatment settings or the integrated behavioral health and addiction treatment psychiatry residency training track program. (Current law requires the Board to take action concerning the public sector psychiatry development program or the training track program.)

*Loan Forgiveness Program-* The bill adds psychiatrists pursuing fellowship training and certification in addiction psychiatry to persons eligible for the loan forgiveness program. The bill allows recipients to work in state-funded addiction treatment centers. The bill changes the names of the accounts that fund the loan forgiveness and development programs. The bill provides that a psychiatrist pursuing fellowship training and certification in addiction psychiatry may receive loan forgiveness grants for not more than five years. The bill requires the Board to give consideration to annually funding two psychiatrists pursuing fellowship training and certification in addiction psychiatry. The bill requires the SDOH to provide administrative support for the integrated behavioral health and addiction treatment development program account and the board. The bill makes conforming changes.

(The introduced version of this bill was prepared by the Commission on Mental Health and Addiction.)

**Effective Date:** July 1, 2014.

**Explanation of State Expenditures:** *Mental Health and Addiction Services Development Programs Board-* The expenditures for in-state travel reimbursement for three additional members of the Board would likely be minimal.

*Loan Forgiveness Program-* The SDOH estimates an additional staff person would be required to manage the grants distributed with the proposed changes in the program at a maximum estimated cost of \$62,700 in FY 2015 and \$62,000 in FY 2016. Included in the cost estimate is the salary for a grant manager and new office supplies such as a personal computer. There could be additional expenditures, including an advertising campaign to raise program awareness, depending on Board and/or agency action. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend on legislative and administrative actions.

*Account Changes-* The Mental Health Services Loan Forgiveness Account would be changed to the Mental Health and Addiction Services Loan Forgiveness Account. Additionally, the Public Sector Psychiatry Development Program Account would be changed to the Integrated Behavioral Health and Addiction Treatment Development Program Account (DPA). Both of these accounts are within the state General Fund. However, no funding has been placed in either account during their existence.

(Revised) The DPA's intent is to fund psychiatric residency positions, as in current law. However, the bill would add that funding could be used to help train and certify new addiction treatment psychiatrists. The bill would require the Board to give due consideration for funding annually two persons pursuing addiction treatment psychiatry fellowship training and certification. Given that no money has been deposited in this account during its history, any funding of addiction psychiatry training will depend on further legislative and administrative action.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** SDOH.

**Local Agencies Affected:**

**Information Sources:** Scott Zarazee, SDOH, 234-3808.

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